

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3134-03
Bill No.: SB 768
Subject: Education, Elementary and Secondary; Jackson County; Boards, Commissions,
Committees; Councils
Type: Original
Date: February 1, 2010

Bill Summary: This proposal modifies provisions relating to school districts charging tuition for non-resident children of district teachers and employees.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** assume this proposal should not increase the state cost of the school foundation formula. The child of a teacher is probably attending the school district of residence with that district receiving state school foundation formula aid. If the child attends the district where the parent is employed, then the state aid will be paid to the district providing the educational services. There could be a slight difference in the amount of state money paid to the two districts.

Officials from the **Francis Howell School District (FHSD)** state the tuition rate calculated for FHSD for FY 10 is \$10,454. There would be no fiscal impact for FHSD, since FHSD, currently, by Board policy, allows children of teachers and regular employees to attend school in FHSD without the payment of tuition.

Officials from the **Blue Springs School District** assume no fiscal impact to their district.

Officials from the **Special School District of St Louis County (SSD)** assume the proposed legislation would probably have a positive fiscal impact on SSD. Officials estimate it would reduce expense by up to \$300,000 and decrease related State revenue by about \$110,000 and reduce Federal revenue by about \$40,000. The net positive fiscal impact to SSD is estimated to be \$150,000.

Oversight assumes certain school districts could see a reduction in state aid while others could have an increase in state aid as a result of children of teachers and school employees changing schools.

ASSUMPTION (continued)

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
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LOCAL POLITICAL SUBDIVISIONS

<u>Cost</u> - Certain School Districts - Decrease in State Aid	Unknown - Could exceed (\$100,000)	Unknown - Could exceed (\$100,000)	Unknown - Could exceed (\$100,000)
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<u>Income</u> - Certain School Districts - Increase in State Aid	Unknown - Could exceed <u>\$100,000</u>	Unknown - Could exceed <u>\$100,000</u>	Unknown - Could exceed <u>\$100,000</u>
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ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposed legislation repeals the requirement that certain school districts charge tuition to non-resident pupils who attend the school district and who are the children of teachers or employees of that school district. School boards may admit non-resident children of district teachers and employees and set a tuition fee, if any. In addition, this proposal repeals the prohibition on school boards charging tuition to teachers.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
School Districts
 Blue Springs
 Francis Howell
 Special School District of St Louis County

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, stylized 'M' and 'W'.

Mickey Wilson, CPA
Director
February 1, 2010